

TALKING POINTS: SB 50 CHAPTER 4.35. Equitable Communities Incentives 65918.50:

Essentially the same fatal flaws as 827 with huge impacts upon local planning.

Reason to oppose now rather than wait until April: Important to register strong objections immediately in January/February as the bill's author has control of the State Senate Housing Committee which has been split off from Transportation.

Weaponizing of state code: FAR, or floor area ratio, is a city's basic tool to control height and bulk of buildings. Use is a city's basic tool to determine what goes in those buildings. Moving FAR and use to Sacramento guts local planning processes.

The density bonuses in this bill become the required base level, and stacking of bonuses is allowed.

The bill forces cities to permit over the counter larger multi-family residential structures in "transit-rich" zones, regardless of limitations imposed by local community plans, specific plans, zoning restrictions or jurisdiction boundaries; it also forces cities to allow such structures near "jobs-rich projects," to be determined not on the local level but by State agencies in Sacramento. NCs and CCs would not get an opportunity to review or comment. This state control could be expanded without warning.

The potential for increased financialization of land use, and for predatory speculative activity, should be fairly obvious considering ongoing FBI investigations into LA's CC PLUM process as well as the rise of short-term rentals.

Porting land use decision making to Sacramento, where there is arguably less public scrutiny than local municipalities, is not a particularly good idea for open, transparent, responsive government.

California should be looking to increase ownership opportunities for communities of concern.

SB 50 seeks to impose community plan time limits raising this potential scenario: All Los Angeles' Community Plan updates might not be finished – and legally approved – in time. Moving thousands of projects to by-right status means no community benefits exchanged for these concessions as benefits are typically written into LA's plans. A community plan with community benefits imposed after the fact could well be tossed out in court. State law trumps local. Bottom line: with the housing packages previously approved by the state legislature, there is no need for this bill.

NOTE: Gov. Newsom seeks to withhold gas tax revenues from cities which do not meet their RHNA goals. There exists some agreement that RHNA needs to be equitably applied, and that therefore RHNA is the more appropriate vehicle for legislative adjustments increasing housing production in California.

References to current provisions in the draft bill are in red:

- Ignores infrastructure by setting statewide, inflexible "minimum performance standards for community plans, such as minimum overall residential development capacity" without any CEQA analysis: **55 (b)(3)**

- Allows an “equitable communities incentive” *automatic* base of 5 concessions, including waivers from maximum density controls, for the new “Jobs-rich housing project” definition: **53 (a)(1)** and 6 concessions for Major Transit Stops: **65918.53 (2) and (3)**
- Enables “bonus stacking” through connecting the existing concessions in state density bonus law [**SB 1818, now Section 65915**] which presently enables reductions relative to “...*site development standards; modification of zoning code requirements; architectural design requirements that exceed the minimum building standards approved by the California Building Standards Commission... including, but not limited to, a reduction in setback and square footage requirements,*” again without CEQA analysis: **53 (a)(4)**
- Establishes a rigid statewide zoning code for FAR...*and use*: **53 (a) and (b)**
- Overrides ReCode’s tools for bulk and mass: **53**
- Essentially eliminates grass roots participation in the majority of local land use planning decisions by superimposing a new ‘as of right’ project definition, “Job-rich housing project”, which is based on fluctuating municipal conditions. Companies open and close and move, but high-density land use entitlements based on snapshots in time may be granted in perpetuity through this proposed law: **50 (f)**
- Raises significant due process issues as Department of Housing and Community Development and the Office of Planning and Research become the de facto state zoning board and board of appeals: **50(f) and (j)**
- The tenant occupancy time limits offer a false sense of security as the bill’s more onerous provisions are merely postponed. Community rights to plan responsibly are overridden after the delay. Meanwhile, an incentive to speculative land banking exists as big capital investors can afford to offer cash for properties in the target areas, accumulate multiple single owner properties, evict tenants, and wait until after the 7-year delay to build. This process destroys the fabric of stable communities, siphons off affordable housing, and creates blight: **52(d)**
- No pro forma requirement whatsoever.